
Colorado School of Mines Foundation

Consolidated Financial Report
June 30, 2024

| | |
|--------------------------------------------|------|
| Independent Auditor's Report | 1-2 |
| Consolidated Financial Statements | |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Statement of Functional Expenses | 5-6 |
| Statement of Cash Flows | 7 |
| Notes to Consolidated Financial Statements | 8-22 |

Independent Auditor's Report

To the Executive Committee of the Board of Governors
Colorado School of Mines Foundation

Opinion

We have audited the consolidated financial statements of Colorado School of Mines Foundation and its subsidiaries (the "Foundation"), which comprise the consolidated statement of financial position as of June 30, 2024 and 2023 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2024 and 2023 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Foundation and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 13, the consolidated financial statements include certain investments whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by fund managers and partnership general partners. The investments are valued at approximately \$144,000,000 (32 percent of net assets) at June 30, 2024 and approximately \$143,000,000 (35 percent of net assets) at June 30, 2023. Additionally, there are approximately \$46,000,000 in unfunded commitments related to these investments at June 30, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.

To the Executive Committee of the Board of Governors
Colorado School of Mines Foundation

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moreau, PLLC

September 25, 2024

Colorado School of Mines Foundation

Consolidated Statement of Financial Position

June 30, 2024 and 2023

| | 2024 | 2023 |
|--------------------------------------------------------------|-----------------------|-----------------------|
| Assets | | |
| Cash and cash equivalents | \$ 2,971,970 | \$ 8,436,248 |
| Receivables: | | |
| Colorado School of Mines receivables - Direct student loans | 1,391,746 | 1,352,442 |
| Contributions receivable - Net | 17,134,000 | 10,447,930 |
| Assets held under charitable trust agreements | 2,959,932 | 3,104,554 |
| Assets held under gift annuity agreements | 7,163,024 | 2,746,049 |
| Beneficial interest in endowments held by others | 14,065,726 | 12,613,210 |
| Beneficial interest in trusts held by others | 3,459,380 | 3,222,115 |
| Beneficial interest in long-term trusts held by others | 200,743 | 191,141 |
| Long-term investments | 442,584,773 | 404,126,632 |
| Restricted net assets held by CSMF Property Management Corp. | - | 29,123 |
| Investment in Colorado School of Mines technology | 82,942 | 153,963 |
| Investment in Mines Venture Fund | 255,373 | - |
| Other assets | 665,027 | 233,529 |
| | <u>\$ 492,934,636</u> | <u>\$ 446,656,936</u> |
| Total assets | | |
| Liabilities and Net Assets | | |
| Liabilities | | |
| Accounts payable and accrued liabilities | \$ 4,046,033 | \$ 3,912,063 |
| Other liabilities | 712,891 | 632,466 |
| Obligations under charitable trust agreements | 1,028,016 | 1,164,557 |
| Obligations under gift annuity agreements | 5,073,084 | 2,568,764 |
| Restricted deficit held by CSMF Property Management Corp. | 2,893 | - |
| Assets held for others | 37,925,918 | 35,649,371 |
| | <u>48,788,835</u> | <u>43,927,221</u> |
| Total liabilities | | |
| Net Assets | | |
| Without donor restrictions: | | |
| Undesignated | 1,997,845 | 2,693,602 |
| Board designated | 34,534,095 | 30,023,751 |
| | <u>36,531,940</u> | <u>32,717,353</u> |
| Total without donor restrictions | | |
| With donor restrictions | 407,613,861 | 370,012,362 |
| | <u>444,145,801</u> | <u>402,729,715</u> |
| Total net assets | | |
| | <u>\$ 492,934,636</u> | <u>\$ 446,656,936</u> |
| Total liabilities and net assets | | |

Consolidated Statement of Activities

Years Ended June 30, 2024 and 2023

| | 2024 | | | 2023 | | |
|------------------------------------------------------------------------------|----------------------------|-------------------------|-----------------------|----------------------------|-------------------------|-----------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Without Donor Restrictions | With Donor Restrictions | Total |
| Revenue, Gains (Losses), and Support | | | | | | |
| Contributions | \$ 479,097 | \$ 35,780,838 | \$ 36,259,935 | \$ 1,421,742 | \$ 26,585,988 | \$ 28,007,730 |
| Advancement services fee | 2,600,000 | - | 2,600,000 | 2,365,200 | - | 2,365,200 |
| Interest and dividends - Net of investment expenses | 663,611 | 2,480,082 | 3,143,693 | 611,656 | 2,693,656 | 3,305,312 |
| Net realized and unrealized gains | 7,181,395 | 32,815,271 | 39,996,666 | 4,181,935 | 22,441,077 | 26,623,012 |
| Changes in net present values of split-interest agreements | (775,592) | 111,443 | (664,149) | 218,311 | 2,552 | 220,863 |
| Changes in interest in net assets of CSMF Property Management Corp. | - | (32,016) | (32,016) | - | (28,794) | (28,794) |
| Other income | 536,498 | 61,280 | 597,778 | 518,201 | 60,940 | 579,141 |
| Net assets released from restrictions | 33,615,399 | (33,615,399) | - | 30,939,293 | (30,939,293) | - |
| Total revenue, gains, and other support | 44,300,408 | 37,601,499 | 81,901,907 | 40,256,338 | 20,816,126 | 61,072,464 |
| Expenses | | | | | | |
| Program services - School support | 30,119,835 | - | 30,119,835 | 25,450,560 | - | 25,450,560 |
| Support services: | | | | | | |
| Management and general | 2,375,175 | - | 2,375,175 | 2,110,580 | - | 2,110,580 |
| Cancellation of pledges | 130,445 | - | 130,445 | 575,249 | - | 575,249 |
| Advancement | 7,740,739 | - | 7,740,739 | 7,222,786 | - | 7,222,786 |
| Total expenses | 40,366,194 | - | 40,366,194 | 35,359,175 | - | 35,359,175 |
| Increase in Net Assets - Before loss in Mines Venture Fund investment | 3,934,214 | 37,601,499 | 41,535,713 | 4,897,163 | 20,816,126 | 25,713,289 |
| Loss in Mines Venture Fund Investment | (119,627) | - | (119,627) | - | - | - |
| Increase in Net Assets | 3,814,587 | 37,601,499 | 41,416,086 | 4,897,163 | 20,816,126 | 25,713,289 |
| Net Assets - Beginning of year | 32,717,353 | 370,012,362 | 402,729,715 | 27,820,190 | 349,196,236 | 377,016,426 |
| Net Assets - End of year | \$ 36,531,940 | \$ 407,613,861 | \$ 444,145,801 | \$ 32,717,353 | \$ 370,012,362 | \$ 402,729,715 |

Colorado School of Mines Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2024

| | Program | Support Services | | Total |
|-------------------------------------------------|----------------------|---------------------|------------------------|----------------------|
| | Services | Advancement | Management and General | |
| School support | \$ 30,119,835 | \$ - | \$ - | \$ 30,119,835 |
| Salaries, benefits, and taxes | - | 6,155,978 | 1,849,290 | 8,005,268 |
| Information technology | - | 178,546 | 52,170 | 230,716 |
| Events | - | 465,972 | - | 465,972 |
| Professional services | - | 13,146 | 352,149 | 365,295 |
| Office expenses | - | 284,215 | 26,541 | 310,756 |
| Advertising and promotion | - | 238,260 | - | 238,260 |
| Travel and representation | - | 250,029 | 2,552 | 252,581 |
| Employee professional development and relations | - | 66,753 | 41,862 | 108,615 |
| Insurance | - | - | 50,611 | 50,611 |
| Premiums | - | 70,773 | - | 70,773 |
| Dues and memberships | - | 17,067 | - | 17,067 |
| Cancellation of pledges | - | - | 130,445 | 130,445 |
| Total functional expenses | <u>\$ 30,119,835</u> | <u>\$ 7,740,739</u> | <u>\$ 2,505,620</u> | <u>\$ 40,366,194</u> |

Colorado School of Mines Foundation

Consolidated Statement of Functional Expenses

Year Ended June 30, 2023

| | Program | Support Services | | Total |
|-------------------------------------------------|----------------------|---------------------|------------------------|----------------------|
| | Services | Advancement | Management and General | |
| | School Support | | | |
| School support | \$ 25,450,560 | \$ - | \$ - | \$ 25,450,560 |
| Salaries, benefits, and taxes | - | 5,705,780 | 1,582,747 | 7,288,527 |
| Information technology | - | 195,319 | 44,028 | 239,347 |
| Events | - | 442,940 | - | 442,940 |
| Professional services | - | 14,259 | 322,565 | 336,824 |
| Office expenses | - | 219,732 | 30,375 | 250,107 |
| Advertising and promotion | - | 241,271 | - | 241,271 |
| Travel and representation | - | 217,168 | 990 | 218,158 |
| Employee professional development and relations | - | 109,675 | 78,841 | 188,516 |
| Insurance | - | - | 51,034 | 51,034 |
| Premiums | - | 57,394 | - | 57,394 |
| Dues and memberships | - | 19,248 | - | 19,248 |
| Cancellation of pledges | - | - | 575,249 | 575,249 |
| Total functional expenses | \$ 25,450,560 | \$ 7,222,786 | \$ 2,685,829 | \$ 35,359,175 |

Colorado School of Mines Foundation

Consolidated Statement of Cash Flows

Years Ended June 30, 2024 and 2023

| | 2024 | 2023 |
|-----------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Cash Flows from Operating Activities | | |
| Change in net assets | \$ 41,416,086 | \$ 25,713,289 |
| Adjustments to reconcile change in net assets to net cash and cash equivalents from operating activities: | | |
| Change in net assets held by CSMF Property Management Corp. | 32,016 | 28,794 |
| Net realized and unrealized gains | (39,996,666) | (26,623,012) |
| Loss in Mines Venture Fund investment | 119,627 | - |
| Cancellation of pledges | 130,445 | 575,249 |
| Changes in net present values of split-interest agreements | 664,149 | (220,863) |
| Changes in net present value and allowance for uncollectible contributions receivable | 1,225,908 | 515,694 |
| Contributions restricted for long-term investment | 14,129,316 | (14,064,808) |
| Changes in operating assets and liabilities: | | |
| Contributions receivable | (8,042,423) | 5,216,467 |
| Receivables from trusts held by others | (2,204,469) | (1,831,689) |
| Other assets | (431,498) | (102,043) |
| Accounts payable, accrued liabilities, and other liabilities | 214,395 | (5,053,556) |
| Assets held for others | 2,276,547 | 790,059 |
| Net cash and cash equivalents provided by (used in) operating activities | 9,533,433 | (15,056,419) |
| Cash Flows from Investing Activities | | |
| Purchases of investments | (489,679,530) | (60,546,603) |
| Proceeds from sales and maturities of investments | 489,784,602 | 57,233,639 |
| Net student loan activity | (39,304) | 26,564 |
| Net investments in other entities | (303,979) | (32,468) |
| Net cash and cash equivalents used in investing activities | (238,211) | (3,318,868) |
| Cash Flows from Financing Activities | | |
| Proceeds from contributions restricted for long-term investment | (14,129,316) | 14,064,808 |
| Payment on obligations under split-interest and gift annuity agreements | (630,184) | (447,321) |
| Net cash and cash equivalents (used in) provided by financing activities | (14,759,500) | 13,617,487 |
| Net Decrease in Cash and Cash Equivalents | (5,464,278) | (4,757,800) |
| Cash and Cash Equivalents - Beginning of year | 8,436,248 | 13,194,048 |
| Cash and Cash Equivalents - End of year | \$ 2,971,970 | \$ 8,436,248 |

June 30, 2024 and 2023

Note 1 - Nature of Business

Colorado School of Mines Foundation (the "Foundation") is a nonprofit corporation providing financial resource development, alumni and stakeholder engagement, and strategic support to Colorado School of Mines (the "University"). The Foundation has a services agreement with the University to provide said services. The Foundation also has a joint services agreement with the University and the Colorado School of Mines Alumni Foundation, Inc. (CSMAF) whereby the Foundation is responsible for the activities and functions of the CSMAF. The majority of the Foundation's revenue is derived from contributions and investment income.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Foundation and CSMAF. The Foundation also is the sole member of Mines Venture Fund Management, LLC, and Mines Venture Fund GP I, LLC, which are the management company and the general partner of Mines Venture Fund I, LP, respectively (collectively, Mines Venture Fund). The consolidated financial statements include the accounts of the Mines Venture Fund. All material intercompany accounts and transactions have been eliminated in consolidation.

Classification of Net Assets

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Cash and Cash Equivalents

The Foundation considers all investments with an original maturity of three months or less when purchased to be cash equivalents. At June 30, 2024 and 2023, cash equivalents consisted primarily of money market funds. At June 30, 2024, the approximate \$2.9 million in cash and cash equivalents includes approximately \$2.4 million of operating cash and approximately \$500,000 for capital projects. At June 30, 2023, the approximate \$8.4 million in cash and cash equivalents includes approximately \$3.6 million of operating cash and approximately \$4.8 million for capital projects. Frequently, cash balances in commercial banks may exceed the level of insurance provided by the FDIC.

Investments

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value.

The Foundation holds alternative investments, which are not readily marketable and are carried at fair value, as provided by the investment managers. The Foundation reviews and evaluates the value provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of the alternative investments. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

Note 2 - Significant Accounting Policies (Continued)

Investment return includes dividend, interest, and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less investment management fees. Investment return is reflected on the consolidated statement of activities as net assets without donor restrictions or net assets with donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

The Foundation maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses, net of investment management fees, from securities in the pooled investment accounts are allocated on a unitization basis monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

Long-term investments are primarily made up of assets restricted by the donor or designated by the Foundation's executive committee for long-term investment and assets received from the University for investment management.

Contributions and Contributions Receivable

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the period in which the gift is received are reported as contributions without donor restrictions in the accompanying financial statements. Approximately 10 and 23 percent of the Foundation's contributions as of June 30, 2024 and 2023, respectively, were contributed from one donor and are included in the pledges receivable balance on the consolidated statement of financial position.

Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An allowance for uncollectible contributions is provided when evidence indicates amounts promised by donors may not be collectible.

Student Loans

The Foundation has several donor-restricted student loan funds. The University administers the loans and makes direct loans to students without collateral. Concentration risk associated with student loans is limited, as no significant balances are due from any single individual, and the Foundation has historically experienced a high collectibility rate.

Income Taxes

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 2 - Significant Accounting Policies (Continued)

Functional Allocation of Expenses

Expenses have been reported on a functional basis in the consolidated statement of activities. The financial statements report certain categories of expenses that are attributable to more than one function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Costs have been allocated between advancement and management and general based on a percentage of full-time equivalent employee effort for direct conduct and supervision within each functional area. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

School Support Expenses

School support expenses represent expenditures for various purposes that benefit the University in accordance with the restricted purposes designated by donors (endowed and nonendowed contributions with donor restrictions) and by the executive committee (board designated from funds without donor restrictions). During the years ended June 30, 2024 and 2023, total school support expenses were \$30,119,835 and \$25,450,560, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 25, 2024, which is the date the financial statements were available to be issued.

Note 3 - Liquidity and Availability of Resources

The following reflects the Foundation's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statement of financial position date:

| | 2024 | 2023 |
|----------------------------------------------------------------------------------------|---------------|---------------|
| Cash and cash equivalents | \$ 2,971,970 | \$ 8,436,248 |
| Receivables - University receivables - Direct student loans | 1,391,746 | 1,352,442 |
| Contributions receivable | 17,134,000 | 10,447,930 |
| Assets held under charitable trust agreements | 2,959,932 | 3,104,554 |
| Assets held under gift annuity agreements | 7,163,024 | 2,746,049 |
| Beneficial interest in endowments held by others | 14,065,726 | 12,613,210 |
| Beneficial interest in trusts held by others | 3,459,380 | 3,222,115 |
| Beneficial interest in long-term trusts held by others | 200,743 | 191,141 |
| Long-term investments | 442,584,773 | 404,126,632 |
| Financial assets - At year end | 491,931,294 | 446,240,321 |
| Less those unavailable for general expenditures within one year due to: | | |
| Restricted by donor with time or purpose restrictions | 407,613,861 | 370,012,362 |
| Assets held for others | 37,925,918 | 35,649,371 |
| Board designations | 34,534,095 | 30,023,751 |
| Financial assets available to meet cash needs for general expenditures within one year | \$ 11,857,420 | \$ 10,554,837 |

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 3 - Liquidity and Availability of Resources (Continued)

The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The Foundation holds \$11.9 million in financial assets available to meet general expenditures within one year. Expected general expenditures for the year are composed of a \$10.9 million operating budget. In the event of an unanticipated liquidity need, the Foundation also could draw upon its unrestricted board-designated endowment fund.

Note 4 - Contributions Receivable

Contributions receivable are as follows:

| | 2024 | 2023 |
|----------------------------------------------------|---------------|---------------|
| Gross promises to give before unamortized discount | \$ 19,504,242 | \$ 11,592,264 |
| Less allowance for uncollectible contributions | (757,242) | (391,024) |
| Less net present value discount | (1,613,000) | (753,310) |
| Net contributions receivable | \$ 17,134,000 | \$ 10,447,930 |
| Amounts due in: | | |
| Less than one year | \$ 8,060,184 | \$ 4,661,847 |
| One to five years | 11,444,058 | 6,930,417 |
| Total | \$ 19,504,242 | \$ 11,592,264 |

Contributions receivable due in future years are discounted to their present values applicable rates at the time of the gift. The discount rate used for contributions receivable range from approximately 3 to 5 percent.

During the year ended June 30, 2024, the Foundation received a bequest from a donor to give real assets, with a current appraised value of approximately \$25 million, to fund a permanently restricted scholarship fund. As bequests generally do not meet the recognition criteria for contribution revenue, this amount has not been recognized in the accompanying financial statements. Upon the donor's death, a charitable trust will be created to hold the real assets and fund the restricted scholarship fund.

Approximately 20 and 30 percent of the Foundation's contributions receivable as of June 30, 2024 and 2023, respectively, consist of pledges from one donor.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 5 - Assets Held Under Charitable Trust and Gift Annuity Agreements and Long-term Investments

Assets held under charitable trust and gift annuity agreements and long-term investments consist of the following:

| | 2024 | | 2023 | |
|-----------------------------------------------------|----------------------------------------------|-----------------------|----------------------------------------------|-----------------------|
| | Charitable Trust and Gift Annuity Agreements | Long-term Investments | Charitable Trust and Gift Annuity Agreements | Long-term Investments |
| Cash equivalents | \$ 215,750 | \$ 19,879,828 | \$ 221,147 | \$ 52,719,432 |
| Bonds and bond mutual funds | 4,031,500 | 37,388,358 | 2,247,682 | 27,078,551 |
| Stocks and stock mutual funds | 5,875,706 | 278,883,482 | 3,381,774 | 219,688,242 |
| Investments in limited partnerships and real estate | - | 106,433,105 | - | 104,640,407 |
| Total | <u>\$ 10,122,956</u> | <u>\$ 442,584,773</u> | <u>\$ 5,850,603</u> | <u>\$ 404,126,632</u> |

Note 6 - Split-interest Agreements

The Foundation is party to split-interest agreements with certain donors. These agreements include contracts entered into with certain donors from which the Foundation benefits. Under the agreement, the donor has contributed funds to be held in trust, with the Foundation as the trustee and beneficiary. The terms of certain trusts specify that payments to the beneficiaries are limited to total trust income. Other trusts require that the Foundation make fixed payments or payments based on a fixed percentage of the fair market value of the trusts' assets to designated beneficiaries for their lifetimes.

At the end of the trusts' terms, the remaining assets are available for the Foundation's use. The portion of the trust attributable to the future interest of the Foundation is recorded on the consolidated statement of activities as contributions in the period the trust is established. Assets held under these various split-interest arrangements are recorded at fair value on the Foundation's consolidated statement of financial position. The Foundation makes distributions to the designated beneficiaries in accordance with the gift instrument and revalues the liability based on actuarial assumptions on a quarterly basis. Obligations under the split-interest agreements represent the present value of future payments required be paid to beneficiaries under the agreements. The present value is computed based on the normal life expectancy of the beneficiaries using the IRS discount rate.

The Foundation has been the recipient of several gift annuities that require future payments to the donor or their named beneficiaries. The assets received from the donor are recorded at fair value. The Foundation has recorded a liability at June 30, 2024 and 2023 of \$5,073,084 and \$2,568,764, respectively, which represents the present value of the future annuity obligations. During the years ended June 30, 2024 and 2023, the Foundation received gifts under charitable gift annuity contracts with a net present value of \$1,875,580 and \$40,946, respectively, which are included in contributions on the consolidated statement of activities.

The Foundation did not receive any new charitable trust agreements during the years ended June 30, 2024 and 2023.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 6 - Split-interest Agreements (Continued)

Information pertaining to split-interest and gift annuity agreements as of June 30, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|-------------------------------------------------------------------------------------|---------------------|---------------------|
| Assets held under charitable trust agreements | \$ 2,959,932 | \$ 3,104,554 |
| Assets held under gift annuity agreements | 7,163,024 | 2,746,049 |
| Total | 10,122,956 | 5,850,603 |
| Less associated liabilities | (6,101,100) | (3,733,321) |
| Net present value of assets held under charitable trust and gift annuity agreements | <u>\$ 4,021,856</u> | <u>\$ 2,117,282</u> |

Note 7 - Beneficial Interest in Assets Held by Third Parties

The Foundation is named as a beneficiary of endowment assets and long-term trusts. The interests are held by third parties that manage the assets and distribute the earnings, as defined in the trust.

The Foundation is the beneficiary of certain irrevocable remainder trusts administered by others. The net present value of the Foundation's beneficial interest has been included on the consolidated statement of financial position as beneficial interests in trusts held by others in the amount of \$3,459,380 and \$3,222,115 at June 30, 2024 and 2023, respectively.

Endowment

The Foundation is the beneficiary of 50 percent of the endowment assets held and administered by the Joe W. Cooper and Cleone B. Hansen Foundation (CHF). CHF was created to continue in perpetuity by an irrevocable trust to benefit Colorado School of Mines and the University of Utah. Should CHF be dissolved, the Foundation will receive 50 percent of its endowment assets.

At June 30, 2024 and 2023, the fair value of the assets held by CHF for the benefit of the Foundation was \$14,065,726 and \$12,613,210, respectively, and is reported on the consolidated statement of financial position as beneficial interest in endowments held by others. The income from the endowment assets is restricted for use in the departments of mining engineering, extractive metallurgy, and economic and/or exploration geology at the University. The Foundation received distributions of \$485,000 during each of the years ended June 30, 2024 and 2023.

Long-term Trusts

The Foundation is the beneficiary under trusts administered by an outside party. Under the terms of the trusts, the Foundation has the irrevocable right to receive income earned on trust assets for the length of the trusts and the right to receive the assets held in trust upon termination of the trusts. Because the Foundation is a beneficiary of the trusts, the assets of the trusts are on the Foundation's books as if the trusts were perpetual trusts and recorded at the fair value of \$200,743 and \$191,141 at June 30, 2024 and 2023, respectively. The Foundation did not receive contributions during the years ended June 30, 2024 and 2023. The Foundation received distributions of \$10,000 during each of the years ended June 30, 2024 and 2023.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 8 - Assets Held for Others

Assets held for others represent various trusts where the Foundation is trustee that revert to other parties in the future, as stipulated in the respective trust documents, and certain University assets held for long-term investment purposes. The fair values of these assets are as follows:

| | <u>2024</u> | <u>2023</u> |
|------------------------|----------------------|----------------------|
| University funds | \$ 37,243,880 | \$ 35,006,833 |
| Charitable trust funds | 682,038 | 642,538 |
| Total | <u>\$ 37,925,918</u> | <u>\$ 35,649,371</u> |

Note 9 - CSMF Property Management Corp.

CSMF Property Management Corp. (CSMF PMC) is a separate, tax-exempt Colorado nonprofit corporation formed to receive, hold, and sell donations of real property. CSMF PMC's only permissible beneficiary is the Foundation.

The Foundation's interest in the net assets of CSMF PMC is accounted for in a manner similar to the equity method. The interest is reflected as an asset stated at fair value, and changes in the interest are included on the consolidated statement of activities as changes in interest in net assets of CSMF PMC. Transfers of assets between CSMF PMC and the Foundation are recognized as increases or decreases in the interest in the net assets of CSMF PMC, with corresponding decreases or increases in the assets transferred, and have no effect on change in net assets. The Foundation's interest in the net assets of CSMF PMC totaled \$(2,893) and \$29,123 at June 30, 2024 and 2023, respectively.

Note 10 - Net Assets

The following net assets without donor restrictions have been designated by the Foundation's executive committee for the following purposes as of June 30:

| | <u>2024</u> | <u>2023</u> |
|-----------------------------------|----------------------|----------------------|
| Board-designated net assets: | | |
| Endowment | \$ 34,499,844 | \$ 29,955,555 |
| Mines technology | 82,942 | 153,963 |
| Gift annuities program | (48,691) | (85,767) |
| Total board-designated net assets | <u>\$ 34,534,095</u> | <u>\$ 30,023,751</u> |

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 10 - Net Assets (Continued)

Net assets with donor restrictions as of June 30 are available for the following purposes:

| | 2024 | 2023 |
|-------------------------------------------------------------------|----------------|----------------|
| Assets available for: | | |
| Student financial aid | \$ 85,415,505 | \$ 80,859,450 |
| Academic divisions | 11,181,675 | 9,792,169 |
| Faculty and staff compensation | 34,571,681 | 31,959,394 |
| University property and equipment | 3,027,368 | 2,404,698 |
| Research | 2,401,476 | 4,645,454 |
| Library | 964,215 | 1,104,295 |
| Other purposes | 120,452 | 103,446 |
| Assets available in future periods: | | |
| Contributions receivable | 9,274,000 | 4,022,930 |
| Life income and annuity trusts | 602,802 | 634,219 |
| Student loans | 1,391,746 | 1,352,442 |
| (Deficiency) assets held by CSMF PMC | (2,893) | 29,123 |
| Investment in perpetuity, the income from which is available for: | | |
| Student financial aid | 136,632,516 | 122,847,219 |
| Faculty and staff compensation | 79,002,196 | 70,538,396 |
| Academic divisions | 23,345,765 | 22,864,636 |
| Research | 3,813,187 | 2,806,125 |
| Library | 1,960,101 | 1,884,236 |
| Other purposes | 222,535 | 222,535 |
| University property and equipment | 977,186 | 941,747 |
| Any activity of the Foundation | 513,810 | 489,089 |
| Future investment in perpetuity: | | |
| Life income and annuity trusts | 4,338,538 | 4,085,759 |
| Contributions receivable | 7,860,000 | 6,425,000 |
| Total | \$ 407,613,861 | \$ 370,012,362 |

Note 11 - Donor-restricted and Board-designated Endowments

The Foundation's endowments include both donor-restricted endowment funds and funds designated by the executive committee to function as endowments. Net assets associated with endowment funds, including funds designated by the executive committee to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Certain nonendowed gifts have been received in previous years and were requested to be endowed by the University. These are reflected as board-designated endowments from donor-restricted funds and are classified as net assets with restrictions due to the initial gift being restricted by the donor. Investment earnings that have been accumulated and are available for spending under endowment agreements, but have not yet been requested by the University, are reflected as current funds available to spend as net assets with restrictions in accordance with the unitrust approach described below.

Note 11 - Donor-restricted and Board-designated Endowments (Continued)

Interpretation of Relevant Law

The Foundation is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the executive committee appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The executive committee of the Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

The above interpretation pertains only to the endowments managed under UPMIFA. Certain endowments are donor-restricted endowments that have explicit donor stipulations, allowing the Foundation to use the corpus of the fund for spending distributions. These contract endowments are managed using the unitrust approach. In using the unitrust approach, all portions of the endowment funds, except term endowments and available-to-spend portions, are considered restricted in perpetuity in accordance to the Foundation's spending policy for contract endowments. Amounts available to spend under contract endowments are classified as net assets with donor restrictions until appropriated for use.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets with donor restrictions. As of June 30, 2024 and 2023, there were no donor-restricted endowment funds that had deficiencies of this nature.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period and board-designated funds. Under this policy, as approved by the executive committee, the endowment assets are invested in a manner that is intended to achieve a 10-year rolling average return, which is equal to the combination of the endowment payout plus inflation and additional growth above inflation, and seeks competitive investment performance versus appropriate capital market measures, such as securities indices.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 11 - Donor-restricted and Board-designated Endowments (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The investment committee of the Foundation meets at least quarterly and more often, if needed, to discuss investment matters to monitor the investment mix and returns and ensure that they are in line with the Foundation's policies.

The asset allocation target policy ranges approved by the executive committee are as follows:

| | <u>Minimum</u> | <u>Maximum</u> |
|---------------------------|----------------|----------------|
| Global equities | 20 | 70 |
| Global fixed-income funds | 5 | 30 |
| Absolute return | - | 25 |
| Public real assets | - | 10 |
| Private real assets | - | 20 |
| Private capital | - | 30 |
| Cash | - | 10 |

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year a percentage of its endowment fund's market value over a three-year moving average at December 31 preceding the fiscal year in which the distribution is planned. The distribution for the year ended June 30, 2024 was a 4.25 percent endowment fund restricted payout and an administrative fee ranging from 1.0 to 1.75 percent, depending on the cumulative gift amount of the individual endowment fund. In establishing this policy, the Foundation considered the long-term expected return on its endowment, recognizing any given year may experience favorable or unfavorable market conditions. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow at the rate of inflation. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. The executive committee approves special appropriations and distributions from the board-designated unrestricted funds to function as endowments through the annual budget process. Expenditures from the donor-restricted endowment funds are controlled by the executive committee in concert with the donors' intent.

Endowment net assets composition by type of fund is as follows as of June 30, 2024:

| | <u>Net Assets without Restrictions</u> | <u>Net Assets with Restrictions</u> | <u>Total</u> |
|---------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------|-----------------------|
| Board-designated endowment funds | \$ 34,499,844 | \$ - | \$ 34,499,844 |
| Board-designated endowment from donor-restricted funds | - | 7,556,296 | 7,556,296 |
| Donor-restricted endowment funds: | | | |
| Original donor-restricted gift amounts and amounts required to be maintained in perpetuity by the donor | - | 238,323,086 | 238,323,086 |
| Term endowment funds | - | 68,804,983 | 68,804,983 |
| Accumulated investment gains | - | 9,311,420 | 9,311,420 |
| Current funds available to spend - University | - | 13,534,188 | 13,534,188 |
| Total | <u>\$ 34,499,844</u> | <u>\$ 337,529,973</u> | <u>\$ 372,029,817</u> |

Colorado School of Mines Foundation

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 11 - Donor-restricted and Board-designated Endowments (Continued)

Changes in endowment net assets for the fiscal year ended June 30, 2024 are as follows:

| | Net Assets without Restrictions | Net Assets with Restrictions | Total |
|---------------------------------------------------|---------------------------------------|---------------------------------|-----------------------|
| Endowment assets - Beginning of year | \$ 29,955,555 | \$ 306,928,596 | \$ 336,884,151 |
| Investment return - Investment income | 3,288,508 | 33,008,139 | 36,296,647 |
| Additions | - | 14,370,522 | 14,370,522 |
| Appropriation of endowment assets for expenditure | (321,096) | (11,278,714) | (11,599,810) |
| Appropriation for endowment reinvestment fee | (557,598) | (4,375,096) | (4,932,694) |
| Transfers - Change in donor restrictions | 2,134,475 | (1,123,474) | 1,011,001 |
| | <u>\$ 34,499,844</u> | <u>\$ 337,529,973</u> | <u>\$ 372,029,817</u> |

Endowment net assets composition by type of fund is as follows as of June 30, 2023:

| | Net Assets without Restrictions | Net Assets with Restrictions | Total |
|--------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------|-----------------------|
| Board-designated endowment funds | \$ 29,955,555 | \$ - | \$ 29,955,555 |
| Board-designated endowment from donor-restricted funds | - | 7,205,347 | 7,205,347 |
| Donor-restricted endowment funds: | | | |
| Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor | - | 214,449,771 | 214,449,771 |
| Term endowment funds | - | 64,185,845 | 64,185,845 |
| Accumulated investment gains | - | 7,839,325 | 7,839,325 |
| Current funds available to spend - University | - | 13,248,308 | 13,248,308 |
| | <u>\$ 29,955,555</u> | <u>\$ 306,928,596</u> | <u>\$ 336,884,151</u> |

Changes in endowment net assets for the fiscal year ended June 30, 2023 are as follows:

| | Net Assets without Restrictions | Net Assets with Restrictions | Total |
|---------------------------------------------------|---------------------------------------|---------------------------------|-----------------------|
| Endowment assets - Beginning of year | \$ 26,125,374 | \$ 281,532,320 | \$ 307,657,694 |
| Investment return - Investment loss | 2,169,402 | 23,165,949 | 25,335,351 |
| Additions | - | 17,597,523 | 17,597,523 |
| Appropriation of endowment assets for expenditure | (392,715) | (9,963,911) | (10,356,626) |
| Appropriation for endowment reinvestment fee | (604,979) | (4,126,915) | (4,731,894) |
| Transfers - Change in donor restrictions | 2,658,473 | (1,276,370) | 1,382,103 |
| | <u>\$ 29,955,555</u> | <u>\$ 306,928,596</u> | <u>\$ 336,884,151</u> |

Note 12 - Pension Plan

The Foundation participates in a defined contribution pension plan covering substantially all of its employees. Employer's contributions begin after an employee completes one year of employment and are 6 percent of regular salary. Pension expense was \$331,759 and \$298,315 for the years ended June 30, 2024 and 2023, respectively.

Note 13 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at June 30, 2024 and 2023 and the valuation techniques used by the Foundation to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

As required by GAAP, the Foundation uses net asset value (NAV) per share or its equivalent (practical expedient), such as member units or an ownership interest in partners' capital, to estimate the fair value of an alternative investment and requires additional fair value disclosures of the Foundation's alternative investments. Certain investments that are measured at fair value using the NAV practical expedient are not classified in the fair value hierarchy. The fair value amounts presented in the following tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The following is a description of the valuation methodologies used for assets measured at fair value:

Cash equivalent funds: Valued based on dollar value of funds

Equities and mutual funds: Valued at the closing price reported on the active market on which the individual securities or funds are traded

Real assets: Valued at the closing price reported on the active market on which the individual securities are traded or the NAV provided by the investment manager

Private equity and hedge funds: Valued based on the NAV provided by the investment manager

Assets held under charitable trust agreements and gift annuity agreements: Valued at the closing price reported on the active market on which the individual securities are traded

Beneficial interest in assets held by others: Valued based on the market value of the trust assets, as provided by trustees. Although the majority of the funds are invested in Level 1 assets, the amounts are reported as Level 3 assets, as there is no current market in which to trade beneficial interest in trusts; therefore, no observable exit price exists for these assets.

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 13 - Fair Value Measurements (Continued)

Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

There were no changes to valuation techniques during the years ended June 30, 2024 or 2023.

Financial assets carried at fair value as of June 30, 2024 and 2023 are classified in the table below in one of the categories described above:

| Assets Measured at Fair Value on a Recurring Basis at June 30, 2024 | | | | | |
|---------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|-----------------------|-----------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | NAV | Total |
| Long-term investments: | | | | | |
| Absolute return - Hedge funds | \$ - | \$ - | \$ - | \$ 37,841,810 | \$ 37,841,810 |
| Cash equivalents | 19,879,828 | - | - | - | 19,879,828 |
| Global equities | 106,486,444 | - | - | 118,641,246 | 225,127,690 |
| Fixed-income funds - Domestic | 1,406,365 | - | - | - | 1,406,365 |
| Fixed-income funds - Global | 5,029,068 | - | - | 14,666,299 | 19,695,367 |
| Fixed-Income funds - U.S. Treasurys | 11,324,535 | - | - | 4,962,090 | 16,286,625 |
| Private equity/Venture capital | - | - | - | 106,587,194 | 106,587,194 |
| Real assets | 7,247,762 | - | - | 8,512,132 | 15,759,894 |
| Total long-term investments | 151,374,002 | - | - | 291,210,771 | 442,584,773 |
| Charitable trusts: | | | | | |
| Assets held under split interest agreements | 2,959,932 | - | - | - | 2,959,932 |
| Assets held under gift annuity agreement | 7,163,024 | - | - | - | 7,163,024 |
| Beneficial interest in endowments held by others | - | - | 14,065,726 | - | 14,065,726 |
| Beneficial interest in trusts held by others | - | - | 3,459,380 | - | 3,459,380 |
| Beneficial interest in long-term trusts held by others | - | - | 200,743 | - | 200,743 |
| Total assets at fair value | \$ 161,496,958 | \$ - | \$ 17,725,849 | \$ 291,210,771 | \$ 470,433,578 |

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

Note 13 - Fair Value Measurements (Continued)

| Assets Measured at Fair Value on a Recurring Basis at June 30, 2023 | | | | | |
|---------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|-------------------------------------------|-----------------------|-----------------------|
| | Quoted Prices in | | | NAV | Total |
| | Active Markets for Identical Assets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | | |
| Long-term investments: | | | | | |
| Absolute return - Hedge funds | \$ - | \$ - | \$ - | \$ 44,767,436 | \$ 44,767,436 |
| Cash equivalent funds | 52,719,433 | - | - | - | 52,719,433 |
| Global equities | 56,254,148 | - | - | 118,666,657 | 174,920,805 |
| Fixed-income funds - U.S. | | | | | |
| Treasuries | 27,078,551 | - | - | - | 27,078,551 |
| Private equity/Venture capital | - | - | - | 104,640,407 | 104,640,407 |
| Total long-term investments | 136,052,132 | - | - | 268,074,500 | 404,126,632 |
| Charitable trusts: | | | | | |
| Assets held under charitable trust agreements | 3,104,554 | - | - | - | 3,104,554 |
| Assets held under gift annuity agreements | 2,689,792 | 56,257 | - | - | 2,746,049 |
| Beneficial interest in endowments held by others | - | - | 12,613,210 | - | 12,613,210 |
| Beneficial interest in trusts held by others | - | - | 3,222,115 | - | 3,222,115 |
| Beneficial interest in long-term trusts held by others | - | - | 191,141 | - | 191,141 |
| Total assets at fair value | \$ 141,846,478 | \$ 56,257 | \$ 16,026,466 | \$ 268,074,500 | \$ 426,003,701 |

Investments in Certain Entities that Calculate NAV per Share

| | June 30, 2024 | June 30, 2023 | June 30, 2024 | |
|-------------------------------|-----------------------|-----------------------|----------------------|-----------------------------------|
| | Fair Value | Fair Value | Unfunded Commitments | Redemption Frequency, if Eligible |
| Absolute return - Hedge funds | \$ 37,841,810 | \$ 44,767,436 | \$ - | Monthly to 7 years |
| Private equity funds | 106,587,194 | 104,640,407 | 55,985,237 | N/A |
| Real assets | 8,512,132 | - | - | Daily to quarterly |
| Fixed income | 19,628,389 | - | - | Daily to annual |
| Global equity | 118,641,246 | 118,666,657 | - | Daily to 5 years |
| Total | \$ 291,210,771 | \$ 268,074,500 | \$ 55,985,237 | Redemption Notice Period |

Absolute return, also commonly referred to as hedge funds, invests both long and short in both U.S. and international common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small- to large-capitalization stakes, and from a net long position to a net short position. The investments dominate exposure in the U.S. market but will also take advantage of investment opportunities in Europe, Asia, and emerging markets. The fair values of the investments in this category have been estimated using NAV per share of the investments, as provided by the investment manager.

Fixed income includes investments in emerging markets debt and currencies that provide stability. The fair values of the investments in this category have been calculated using NAV per share of the investments.

Note 13 - Fair Value Measurements (Continued)

Private equity funds focus on buyout, growth equity, distressed debt, and real asset investments. These investments are not redeemable. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets in the fund. The term for each of these investments is 3 to 10 years. The fair values of the investments in this category have been estimated using NAV per share of the investments, as provided by the investment manager.

Global equity includes investments in funds that focus on domestic, international equities, or emerging markets with large-, mid-, or small-cap focus. The underlying assets are liquid, and the funds' managers provide details of those assets. Roughly half of underlying assets are fairly liquid, and the funds' managers provide details of those assets. The other half have a longer redemption notice and liquidity period and are valued based on NAV per share of the investments, as provided by the investment manager.

Real assets are investments in, either directly or indirectly, private companies related to real assets such as energy, commodities, or real estate, which provide additional diversification, long-term growth, and hedge against long-term inflation. The fair values of the investments in this category have been estimated using NAV per share of the investments, as provided by the investment manager.

Note 14 - Related Party Transactions

The following is a description of transactions between the Foundation and related parties:

Accounts Payable

At June 30, 2024 and 2023, the Foundation had accounts payable to the University totaling \$3,355,572 and \$3,540,680, respectively.

Investment Management Fees

In consideration for providing investment management services to the University, the Foundation charges the University an agreed-upon management fee annually. During the years ended June 30, 2024 and 2023, total management fees charged to the University were approximately \$506,000 and \$487,000, respectively.

Other

The Foundation provides the University advancement services in exchange for an annual fee. During the years ended June 30, 2024 and 2023, the fee was approximately \$2,600,000 and \$2,365,000, respectively.